



NEWS RELEASE

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**FOR IMMEDIATE RELEASE
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**CITY OF TANANA EMPLOYEES SENTENCED TO PRISON FOR
WIRE FRAUD AND THEFT**

Anchorage, Alaska - U.S. Attorney Karen L. Loeffler announced today that two Fairbanks men were sentenced on Friday, June 6, 2014, in federal court in Fairbanks after being found guilty of wire fraud and theft from a local government receiving federal funds.

Alfred Richard Ketzler, Jr., also known as “Bear” Ketzler, 57, of Fairbanks, Alaska, was sentenced to 16 months in prison to be followed by two years of supervised release by Chief U.S. District Court Judge Ralph R. Beistline. Ketzler pled guilty in March 2014. Ketzler has already paid restitution to the City of Tanana in the amount of \$116,500.

Alfred McQuestion Fabian, 62, of Fairbanks, Alaska, was sentenced to six months in prison to be followed by two years of supervised release by Chief U.S. District Court Judge Ralph R. Beistline. Fabian pled guilty in March 2014.

Assistant U.S. Attorney Yvonne Lamoureux, who prosecuted the case, noted that according to filings with the court, Ketzler and Fabian participated in a three-year scheme to defraud and obtain money and property by means of materially false and fraudulent pretenses and representations. Specifically, Ketzler, as the City Manager for the City of Tanana, and Fabian, as the expediter for the City of Tanana, abused their positions of trust to obtain excess federal property through the Federal Personal Property Utilization Program and illegally sell the property for personal gain and convert the property for personal use. Between December 2009 and November 2012, Ketzler and Fabian received at least \$122,000 in illegally obtained payments for the sales of about 11 pieces of equipment, including trucks, fork lifts, and other heavy industrial equipment. They deposited the money from the illegal sales of the property into their personal bank accounts.

In sentencing Ketzler, Judge Beistline noted the need for the sentence to deter not only the defendant but also other people from abusing their positions of trust. Judge Beistline also noted that the purpose of the Federal Personal Property Utilization Program was not to enrich city managers or individuals, and that the victims of the defendants’ crimes include the Federal Personal Property Utilization Program, the other native and rural communities that could have benefited from the Program, and taxpayers.

Kevin Feldis, First Assistant U.S. Attorney, stated that “The United States Attorney’s Office is dedicated to prosecuting those who steal from federal programs. All citizens are victims when someone steals federal property or fraudulently abuses federal programs for their own personal gain.”

“This federal excess property was supposed to benefit the City of Tanana, Alaska, not be illegally sold by city officials for personal profit,” said U.S. General Services Administration Acting Inspector General Robert C. Erickson.

Ms. Loeffler commends the Federal Bureau of Investigation and the General Services Administration Office of Inspector General for conducting the investigation leading to the successful prosecution of Ketzler and Fabian.

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